

MEDICAID BULLETIN

May 9, 2012

ALL

TO: All Providers

SUBJECT: New Provider Enrollment and Screening Requirements

The South Carolina Department of Health and Human Services (SCDHHS) will be implementing new provider enrollment and screening regulations published by the Centers for Medicare and Medicaid Services (CMS). These regulations have been developed under standards established by the Affordable Care Act. Prior to implementation, new policies for provider enrollment and screening will be communicated to providers in subsequent Medicaid bulletins. Provider enrollment and screening information and a link to the new Federal regulations, can be found on the SCDHHS website at:

<http://www2.scdhhs.gov/ProviderRequirements>

SCDHHS will address these CMS regulations through the development of new provider enrollment and screening policies, procedures, and system changes by August 1, 2012. Additionally, revisions will be made to Section 1 of the provider manuals to include the new policies. These revisions will change the current process for enrolling Medicaid providers; therefore, SCDHHS is implementing the new policies and procedures incrementally and in consultation with various provider organizations.

If you are currently an enrolled Medicaid provider, you will not have to re-enroll or validate your existing enrollment at this time. If you are currently enrolled as a Medicare provider, SCDHHS will rely on the enrollment and screening facilitated by CMS to satisfy our provider enrollment requirements. The main requirements of the final rule for provider enrollment and screening include:

- Enhanced provider screening based on assigned risk levels (high, moderate or limited) of fraud, waste and abuse for each provider type that includes:
 - Background checks
 - Pre- and post-enrollment provider site visits
 - Fingerprint-based criminal history record checks (currently on hold by CMS)
- Updated disclosures for ownership and controlling interest;
- Enrollment of ordering/referring providers;

- Suspension of payments in cases of credible allegations of fraud;
- Denial of enrollment or termination of providers from the SCDHHS Medicaid program for “cause.” Denial and termination is defined as the revocation of Medicaid billing privileges for specific reasons, such as denial/termination from Medicare, denial/termination from other state Medicaid programs, or other reasons based on fraud, integrity, or quality;
- Application enrollment fees for business organizations and entities that enroll with an Employer Identification Number (EIN);
- Implementation of temporary moratoria on new provider enrollments, when instructed by CMS, to protect against the high risk of fraud, waste and abuse; and
- Revalidation of all enrolled providers at *least* every five years, with the exception of Durable Medical Equipment providers who will be revalidated every three years.

Our goal is to enhance the integrity of the Medicaid program, while streamlining the enrollment process and complying with federal requirements. SCDHHS will continue to update providers as we move forward with implementation of these requirements.

If you have any questions regarding the new provider enrollment and screening regulations, please call the Provider Service Center at (888) 289-0709, option 4. SCDHHS will also be posting Frequently Asked Questions regarding these changes to its website: <http://www2.scdhhs.gov/ProviderRequirements>.

Thank you for your continued support of the Medicaid program.

/s/
Anthony E. Keck
Director